GOVERNMENT OF THE DISTRICT OF COLUMBIA Office of the Chief Financial Officer

Natwar M. Gandhi Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp

Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi

Chief Financial Officer

DATE: June 18, 2001

SUBJECT: Fiscal Impact Statement: "Storm Water and Sewer

Compliance Amendment Act of 2001"

REFERENCE: Draft Legislation – No Bill Number Available

Conclusion

Funds are sufficient in the FY 2002 through FY 2005 budget and financial plan. The proposed legislation will prevent the Water and Sewer Authority (WASA) from levying a ground water surcharge against improved real property in the District of Columbia. This would include improved public property owned and operated by the government of the District of Columbia.

Background

WASA currently has authority to impose a separate sewer surcharge for ground water discharges from improved and unimproved real property in the District. This legislation revokes that authority for improved property. The proposed legislation makes a technical change to existing code and prohibits WASA from adding a ground water surcharge to current billing practices.

Financial Plan Impact

WASA has statutory authority to impose this surcharge and has included an estimated \$3 million in revenue from this fee in its FY 2002 revenue estimates. This legislation would prevent WASA from collecting that \$3 million, but would not affect the District's general funds. If the bill is not passed, the District could be asked to pay this additional fee on at least 15 sites owned by the city.